GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:1563
ANSWERED ON:11.12.2003
RAIL - TEL
PUSHPDAN SHAMBHUDAN GADHAVI

Will the Minister of RAILWAYS be pleased to state:

(a) whether the Rail-Tel Corporation has decided to offer telecom bandwidth to optical fibre cable along its 62,000 Km. Track network;

(b) Whether Rail-Tel has also decided to follow revenue sharing model with Cable TV operators;

(c) if so, the complete details thereof; and

(d) the extent to which the Rail-Tel is likely to be benefited from these projects?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI BASANAGOUDA R. PATIL)

(a): Yes, Sir. RailTel Corporation of India Limited (RailTel) is offering bandwidth on sale/lease to Telecom service providers, wherever Optical Fibre Cable (OFC) based communication network has been installed along the Railway track.

(b): Yes, Sir. RailTel has also adopted revenue sharing model in addition to leasing of dark fibres/bandwidth to Cable TV operators. Decision to adopt one or other scheme is on case to case and demand basis.

(c): RailTel has leased dark fibre in Mumbai area to one Cable TV operator on revenue sharing basis. In this case, the revenue stream has two components − A fixed component on the basis of length of the fibre leased and a variable component on the basis of number of cable TV subscribers served by the Operator inthat area. In Kolkata area, however, the revenue stream has a fixed component only, depending upon the length of the fibre leased.

RailTel may also sell bandwidth to Cable operators to extend signal from one centre to other, if such a demand arises in future.

Policy on the revenue sharing model will be firmed up after gaining of some experience in this business.

(d): Extending different kind of services to cable TV operators is a new source of income to RailTel and this definitelywill benefit RailTel in improving its financial prospects.